



# **DEFENSE SECURITY COOPERATION AGENCY: AGENCY OVERVIEW**

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# **SECURITY COOPERATION: A KEY POLICY TOOL FOR THE 21st CENTURY**



## **FOREIGN POLICY GOALS**

- **BUILD INSTITUTIONS TO KEEP AMERICANS SAFE AND THE WORLD PEACEFUL**
- **SUSTAIN OUR PROSPERITY AND EXPAND GLOBAL ECONOMY**
- **PROMOTE AMERICAN PRINCIPLES & VALUES**

## **NATIONAL SECURITY GOALS**

- **TO ENHANCE OUR SECURITY WITH MILITARY FORCES THAT ARE READY TO FIGHT**
- **TO BOLSTER AMERICA'S ECONOMIC REVITALIZATION**
- **TO PROMOTE DEMOCRACY ABROAD**

## **SECURITY ASSISTANCE PROGRAM**

### **CINC GOALS**

- **COALITION BUILDING**
- **FORWARD PRESENCE**
- **INTEROPERABILITY**
- **REGIONAL STABILITY**
- **CRISIS MANAGEMENT**
- **THEATER DETERRENCE**



# SECURITY COOPERATION PROGRAM

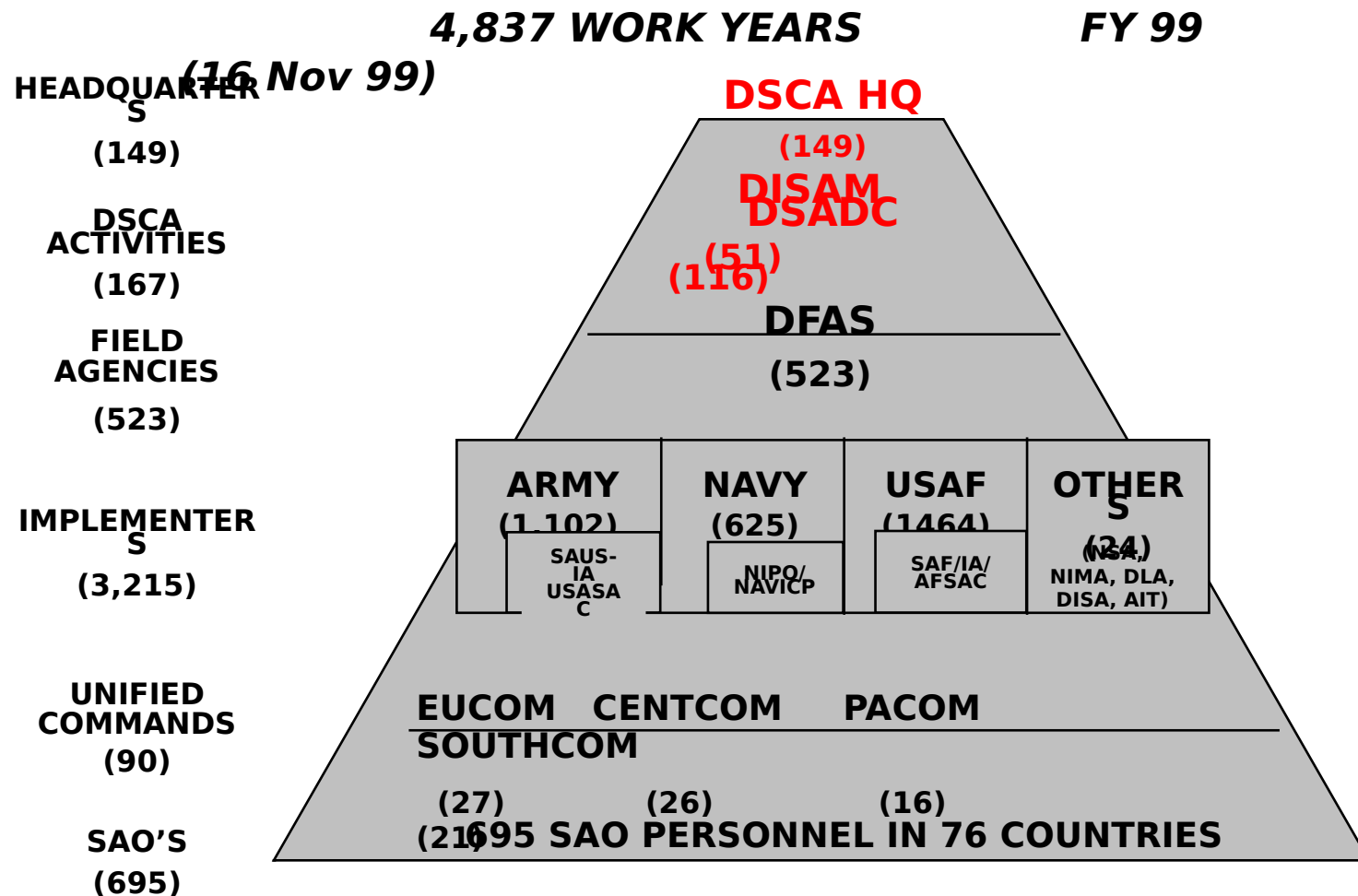


- **FMS BUSINESS 1999**
  - **\$12.2B IN SALES**
  - ▢ **\$18.4B IN DELIVERIES**
  - ▢ **15,000 OPEN CASES VALUED AT \$226B**
  - ▢ **\$70B IN THE PIPELINE**
  - ▢ **\$5.5B IN CUSTOMER TRUST FUNDS**
- **GRANT ASSISTANCE**
  - ▢ **\$3.4B FMF IN 1999**
  - ▢ **\$50M IMET PROGRAM WITH 118 COUNTRIES**

- **DOD PROGRAMS**
  - **\$71.5M IN HUMANITARIAN ASSISTANCE TO 80 COUNTRIES**
  - ▢ **\$16M IN HUMANITARIAN DEMINING TO 23 COUNTRIES**
  - ▢ **\$41.4M FOR WARSAW INITIATIVE**
  - ▢ **\$1.9M FOR AFRICA CENTER FOR STRATEGIC STUDIES**
- **RESOURCES**
  - ▢ **\$370M BUDGET**
  - ▢ **4,837 WORKYEARS**
  - ▢ **695 SAOs**

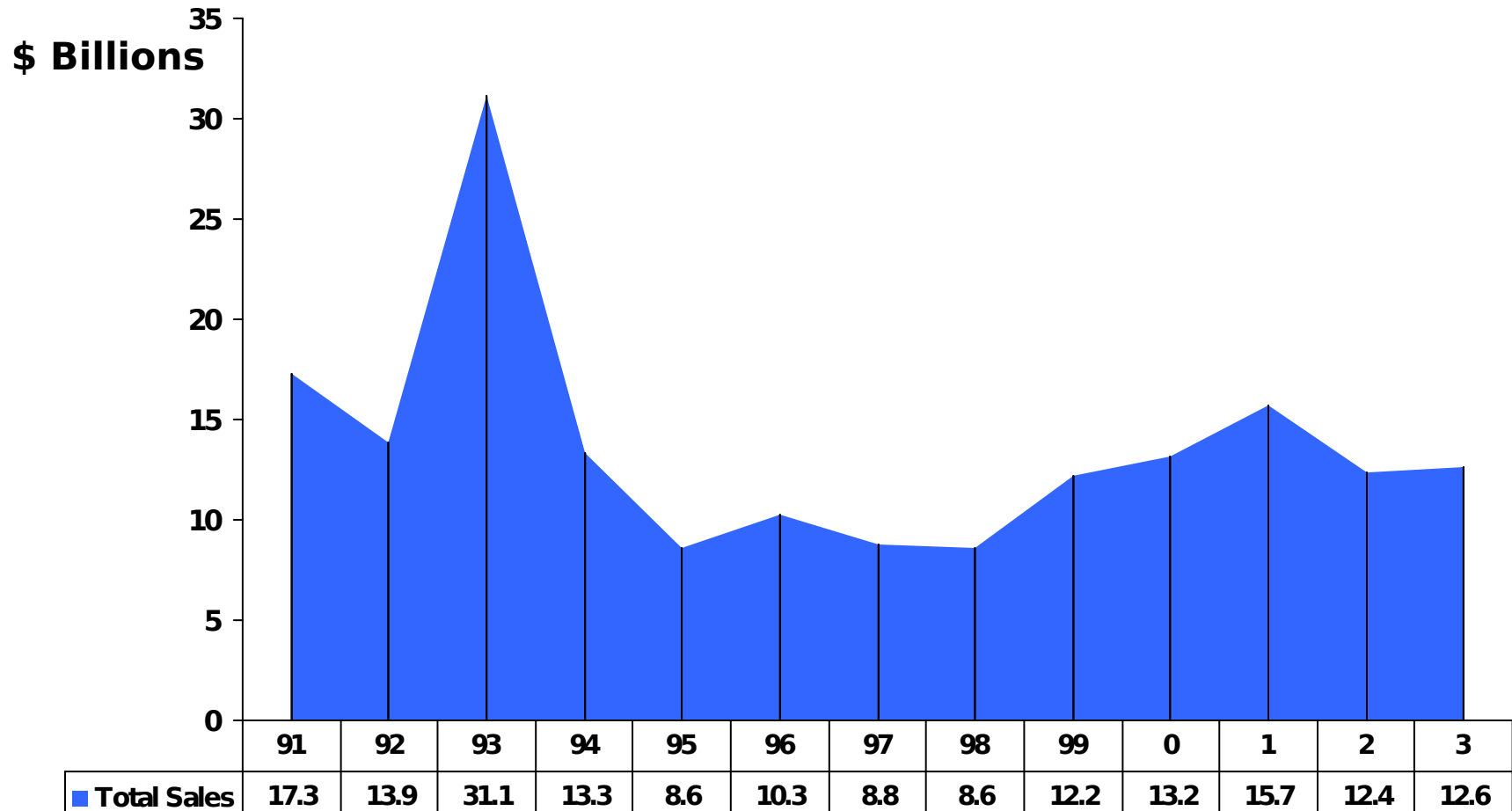


# FUNCTIONAL VIEW OF THE SECURITY ASSISTANCE COMMUNITY





# FOREIGN MILITARY SALES



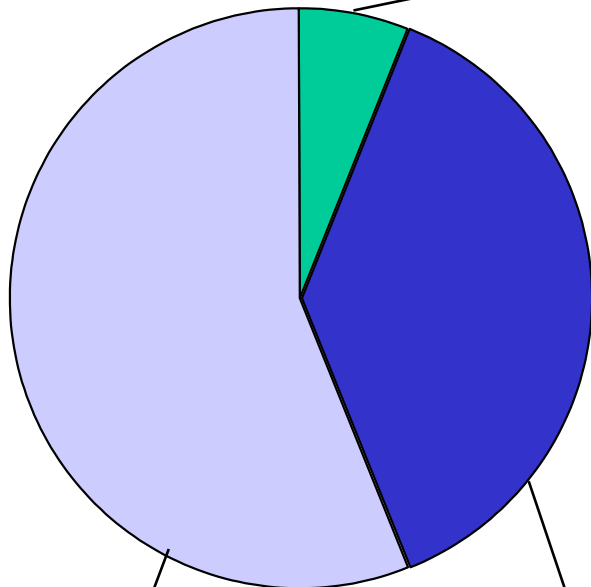


# FOREIGN MILITARY FINANCING: *FY 00 ALLOCATION*



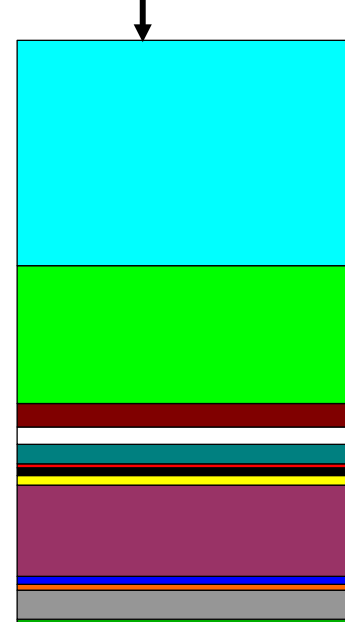
**TOTAL = \$3.41B**

**DISCRETIONARY - \$194M**



**ISRAEL - \$1.92B**

**EGYPT - \$1.3B**



**JORDAN - \$75M**

**WI - \$46M**

**POLAND - \$8M**

**CZECH - \$6M**

**HUNGARY - \$6M**

**MOROCCO - \$1.3M**

**TUNISIA - \$3M**

**CARIB - \$3M**

**GC ADMIN - \$30.5M**

**EIPC - \$2.5M**

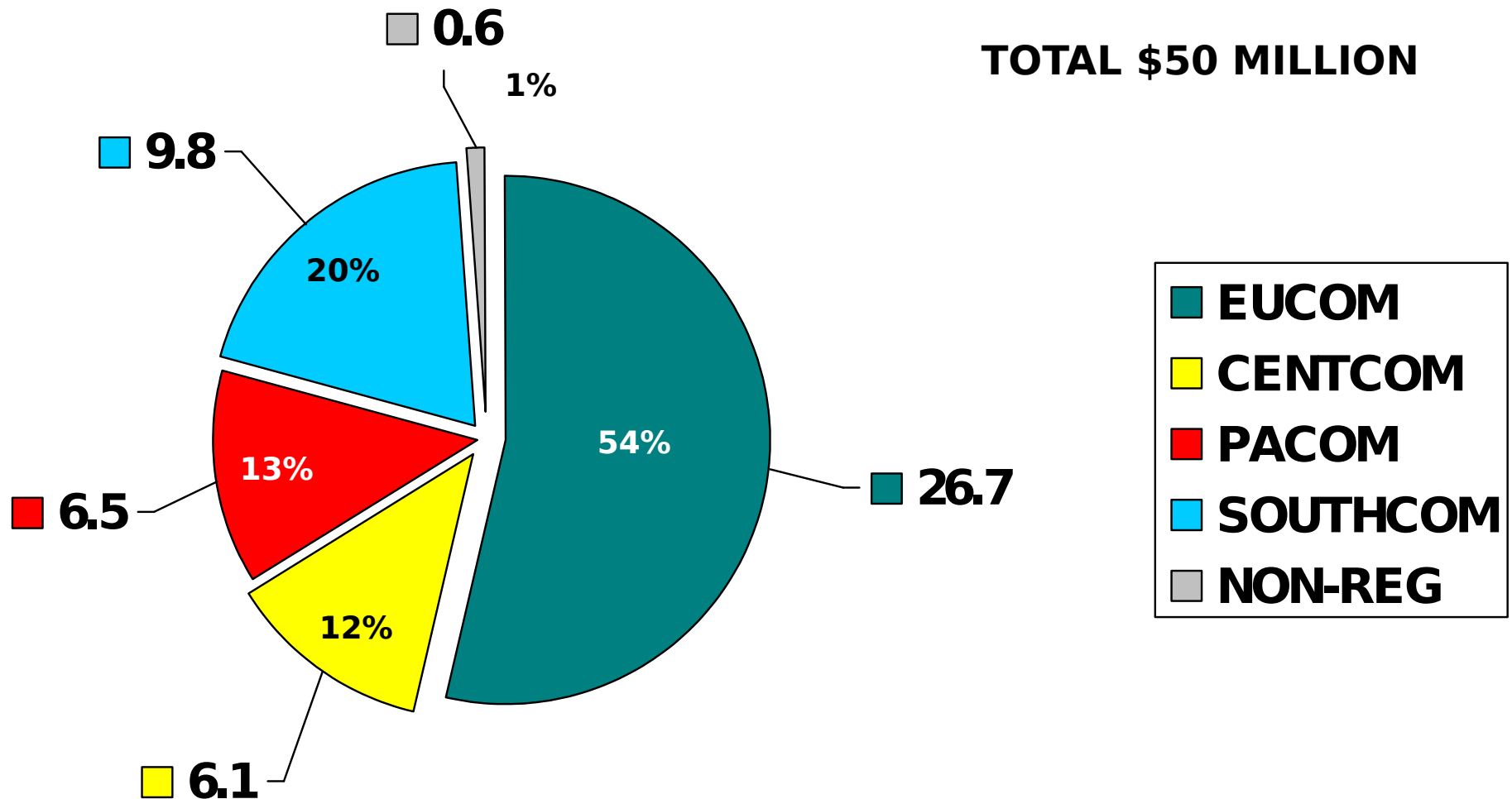
**EAR - \$2M**

**NIGERIA - \$10M**

**PHILIPPINES - \$1M**



# 00 IMET ALLOCATIONS BY REGION





# **HUMANITARIAN ASSISTANCE & DEMINING**



- **HUMANITARIAN ASSISTANCE (FY 00 - \$30.2M) PROVIDES:**
  - **EMERGENCY ASSISTANCE (FOOD, SHELTER, MEDICAL, TRANSPORTATION)**
  - ▢ **NON-EMERGENCY ASSISTANCE (NON-LETHAL EXCESS PROPERTY, TRANSPORTATION OF NGO-DONATED RELIEF SUPPLIES, SERVICES--E.G. MEDICAL AND ENGINEERING)**
  - ▢ **PACOM HA PROGRAM FUNDED AT \$2.6M**
  
- **DEMINING ASSISTANCE (FY 00 - \$25.6M) PROVIDES:**
  - ▢ **ASSISTS COUNTRIES TO CLEAR EXISTING LANDMINES**
  - ▢ **DESIGNS SUSTAINABLE INDIGENOUS PROGRAMS**
  - ▢ **PROMOTES HUMAN WELFARE THROUGH MINE AWARENESS/DEMINING TRAINING**
  - ▢ **PACOM HD PROGRAM FUNDED AT \$2.6M**





# DSCA MAJOR EFFORTS



## External

- **RE-ENGINEER THE FMS PROCESS AND MEET CUSTOMER NEEDS**
- **MAINTAIN SECURITY ASSISTANCE TRUST FUND SOLVENCY**
- **MAINTAIN SOLVENCY OF CUSTOMER TRUST FUNDS**
- **ENSURE CONTINUED VIABILITY OF AGENCY**

## Internal

- **IMPLEMENT AGENCY 5 YEAR STRATEGIC PLAN**
- **COMPLETE AGENCY'S BUSINESS PERFORMANCE PLAN FOR DEFENSE MANAGEMENT COUNCIL**
- **DEVELOP & FIELD DSAMS**



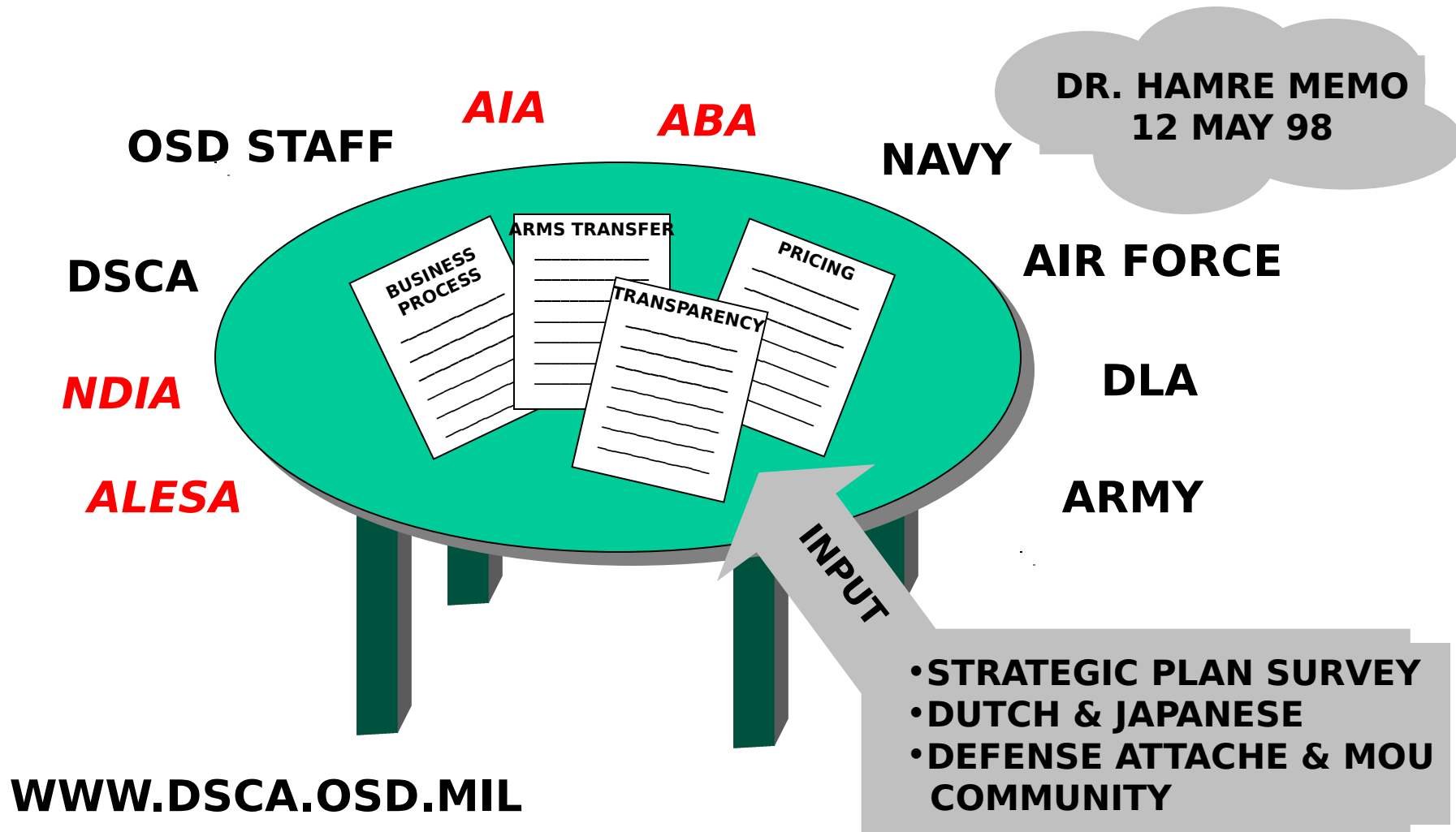
# SECURITY COOPERATION REINVENTION



- **EVENTS LEADING TO REINVENTION EFFORT**
  - **SERIES OF CRITICAL PRESS ARTICLES**
  - ▢ **GAO REPORT FINDINGS CRITICAL OF SECURITY COOPERATION PROCESSES**
  - ▢ **INCREASED CUSTOMER SOPHISTICATION AND CRITICISM**
  - ▢ **EVOLVING ROLES OF U. S. GOVERNMENT AND U. S. INDUSTRY**



# RE-ENGINEERING THE FMS SYSTEM





# REINVENTION



- **Actions To Date:**

- **White Papers**

- **PROCESS TRANSPARENCY, PRICING, ARMS/TECH TRANSFER, BUSINESS PROCESSES**

- ▢ **Surcharge Reduced 3% to 2.5%**

- ▢ **Legislative Initiative - Revision to Section 30 allowing reimbursement for Direct Commercial Sales support**

- ▢ **Policy Papers**

- ▢ **FOREIGN PARTICIPATION IN USG CONTRACTING, USG COOPERATION WITH INDUSTRY, LOA TRANSPARENCY, ARMS TRANSFER POLICY REVIEW GROUP**

- ▢ **DFAS Analysis**



# REINVENTION : WHAT'S NEXT



- **Firm Fixed Price/Not-to-Exceed LOAs**
- **Credit/Debit Cards**
- **Activity Based Costing**
- **Surcharge Structure**
- **Develop Longer-Term Implementation Plan & Metrics**
  - **White Paper #4**



# THE FUTURE



- **SECURITY COOPERATION REFLECTS ON USG AND DEMONSTRATES COMMITMENT TO SECURITY NEEDS OF OUR FRIENDS AND ALLIES**
- **SECURITY COOPERATION WILL CONTINUE TO BE AN IMPORTANT TOOL FOR POLICY MAKERS**
- **WE CAN EXPECT:**
  - **CONTINUED SCRUTINY OF FOREIGN AID REQUESTS**
  - ▮ **CONTINUED PRESSURE TO REDUCE MANPOWER RESOURCES**
  - ▮ **INCREASED COMPETITIVE MARKET FOR SMALLER DEFENSE BUDGETS**



# AGENCY VISION



**TO BE THE PREMIER AGENCY RECOGNIZED AND RESPECTED  
FOR LEADERSHIP, EXPERTISE, INNOVATION, AND RESULTS IN  
SECURITY COOPERATION...**

- **A HIGHLY QUALIFIED TEAM OF MOTIVATED PROFESSIONALS**
- **VITAL TO SUPPORTING US INTERESTS AND SECURITY  
RELATIONSHIP**
- **THE INTERNATIONAL PARTNER OF CHOICE**

**...MASTERING THE CHALLENGES OF A CHANGING GLOBAL  
ENVIRONMENT.**

***Decisive***

***Supportive***

***Committed***

***Accessible***



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